

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
GENERAL MOTORS CORP., <i>et al.</i>)	Case No. 09-50026
)	(Jointly Administered)
Debtors.)	
)	

**OBJECTION OF BAY LOGISTICS, INC.
TO PROPOSED CURE COSTS CONTAINED IN NOTICE OF (I) DEBTORS'
INTENT TO ASSUME AND ASSIGN CERTAIN EXECUTORY CONTRACTS,
UNEXPIRED LEASES OF PERSONAL PROPERTY,
AND UNEXPIRED LEASES OF NON-RESIDENTIAL REAL PROPERTY
AND (II) CURE COSTS RELATED THERETO**

Bay Logistics, Inc., a Michigan corporation, a creditor and party-in-interest in this case ("Bay"), by and through its attorneys, Rhoades McKee, submits this Objection to the proposed cure costs for the assumption and assignment of the Assumable Executory Contracts (as defined in the Assumption Notice) with Bay, set forth in the Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property and Unexpired Leases of Non-Residential Real Property and (II) Cure Costs Related Thereto ("Assumption Notice"), dated June 5, 2009. The Assumption Notice was served on Bay in accordance with the Debtor's June 1, 2009 Motion, which among other things, sought authorization and approval of the sale of substantially all of Debtors' assets and assignment of contracts and leases. In support of its Objection, Bay states:

1. According to the Contract Website referenced in the Assumption Notice, Bay is one of the suppliers with executory contracts to be assumed and assigned to purchaser.

2. Pursuant to the Contract Website, Debtors' records reflect a payment of \$719,257.26 would be required to cure payment defaults under their Agreement with Bay. This amount is incorrect.

3. The correct cure costs to be paid to Bay should be \$1,118,607.09. A detailed schedule of the unpaid invoices establishing the correct balance due and the relevant pages of the Contract Website are attached as **Exhibit 1**.

4. Upon assumption, all attendant responsibilities to cure defects and default are immediately compelled upon the debtors. See 11 U.S.C. § 365.

5. The assumption and assignment of the Agreement between Debtors and Bay should be conditioned upon the payment of the correct cure amount of \$1,118,607.09.

6. Bay reserves the right to amend, supplement or otherwise modify this objection as it deems necessary or proper.

WHEREFORE, Bay respectfully requests that this Court condition the assumption and assignment with respect to the Agreement with Bay upon the allowance and payment of Bay's Cure Claim in the full amount of the pre-petition cure costs of \$1,118,607.09.

Respectfully submitted,

Dated: June 15, 2009

/S/ Terry L. Zabel

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